H.R. 3882

A second fact that is equally clear is that the fight against juvenile delinquency cannot be fought from Washington. It must be fought in the localities where the delinquent child is found and where the delinquent acts are committed.

And the final fact made clear by our investigations is that even though the fight must be fought locally, the Federal Government can and should give assistance to the States in that fight. That assistance should not—it cannot—be such as to supplant the State's own efforts. But much can be done by the Federal Government not only through financial assistance but also through the gathering together and transmission of know-how, to aid the States in their fight to control and treat juvenile delinquency. At this crucial period in the fight the situation calls for nothing less than boldness, determination, and foresight.

This bill is designed to meet the problems on all levels of government. It establishes within the Department of Health, Education, and Welfare an office for children and youth which will encompass the present Children's Bureau and provides for an added title of Assistant Secretary for Children and Youth. This greatly strengthens the program of the Federal Government in providing leadership in establishing programs for combating juvenile delinquency.

An advisory council on juvenile delinquency to the Secretary of Health, Education, and Welfare is also established with membership from leading organizations dealing with the problems of delinquency in such fields as education, legal, social work, psychiatry, and police.

There are two provisions incorporated within the scope of this bill providing grants. One is to aid State governments in developing programs to combat delinquency and coordinate services of these governments, but it does not underwrite even a portion of the present State and local programs. The other is a grant for training personnel limited to a period of 10 years. One of the greatest needs in the field of delinquency, as pointed out in our hearings, has been the extreme shortage of adequately trained personnel to meet the growing delinquency problem.

The analysis presented by Mr. KEFAUVER is as follows:

ANALYSIS OF PROPOSED DELINQUENT CHILDREN'S ACT OF 1955

TITLE I

Establishes an Office for Children and Youth in the Department of Health, Education, and Welfare. This should serve to concentrate work on the problems of children and youth at a departmental level which will command the attention that those problems should have. The Children's Bureau is made a part of this new Office and the Chief of the Children's Bureau is given the responsibility for administering the new Office with the added title of Assistant Secretary for Children and Youth. A new bureau is created in the Office—a Bureau on Juvenile Delinquency.

TITLE II

In an effort to achieve greater coordination of Federal programs dealing with delinquent children and to assure that in planning such programs consideration is given to the viewpoints of the national agencies in this field, this bill would establish a Federal Advisory Council on Juvenile Delinquency—advisory to the Secretary of Health, Education, and Welfare.

TITLE III

This title provides—for a period of 7 years—for grants to States to assist them in achieving coordination of the many services involved in the control and treatment of juvenile delinquency, in determining wherein these services need strengthening, in planing for priorities to stregthen these services, and in strengthening and improving those services. It is not intended that through this title the Federal Government would be underwriting even a portion of the present State and local programs. Rather this is intended as a means of boosting State and local efforts by putting a small amount of money where it will do the most good.

TITLE IV

This title would authorize grants for training personnel. The program is limited to 10 years. One of the greatest needs in the field of juvenile delinquency, as revealed by witness after witness before the subcommittee, is for more and better trained personnel. Present efforts in this area are scant. The bill is drafted so as to give the Secretary the greatest possible flexibility in the manner in which the desired objective—more trained personnel—is achieved.

TITLE V

Title V is a "seed money" or "risk capital" provision. It authorizes grants for special projects and is intended to permit the testing and development of new techniques for the control and treatment of juvenile delinquency. If administered with imagination and foresight, it holds great promise. This program, too, is limited to 7 years.

TITLE VI

This title contains general administrative provisions to be found in the standard grant-in-aid bill, with two exceptions. One is the provision permitting the Secretary for a period of 2 years directly to establish short-term courses for training personnel. This provision has been borrowed from the vocational rehabilitation amendments of 1954 (Public Law 565, 83d Cong.), since the problems faced by both fields seem to be identical. The second special provision is a "variable grant" provision for matching State expenditures under title III, except for the first thirty thousand spent in the first 2 years.

RECOVERY OF DAMAGES UNDER ANTITRUST LAWS

Mr. KILGORE. Mr. President, I introduce, for appropriate reference, a bill to amend the Clayton Act by granting a right of action to the United States to recover damages under the antitrust laws. I ask unanimous consent to have printed in the RECORD a letter from the Attorney General recommending the enactment of the proposed legislation.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 733) to amend the Clayton Act by granting a right of action to the United States to recover damages under the antitrust laws, introduced by Mr. KILGORE, was received, read twice by its title, and referred to the Committee on the Judiciary.

The letter presented by Mr. KILGORE is as follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., January 20, 1955.

The VICE PRESIDENT,
United States Senate,
Washington, D. C.

DEAR MR. VICE PRESIDENT: The Department of Justice recommends amendment of the Clayton Act so as to grant to the United States a right of action to recover actual damages for violations of the antitrust laws. A draft of a bill designed to carry this recommendation into effect is enclosed for your consideration and appropriate action.

Section 4 of the Clayton Act (15 U. S. C. 15) provides that any person injured in his business or property by reason of anything forbidden in the antitrust laws may sue therefor in the United States district courts and if he prevails shall recover an amount equal to three times the damages which were sustained by him.

In the case of *United States v. Cooper Corp.* (312 U. S. 600 (1941)), the United States Supreme Court held that the United States is not a person within the meaning of the statute or within the meaning of section 7 of the Sherman Act, which also authorizes treble-damage recovery for antitrust violations. The legislation here recommended would grant to the United States the right to recover actual damages sustained by it as a result of violations of the antitrust laws.

The United States is the largest single purchaser of goods in this country and may suffer substantial losses from antitrust violations. As shown in the Cooper case, the Government sustained extensive damages as the result of certain bids submitted on motor-vehicle tires and tubes. For the half year ending March 31, 1937, 18 companies submitted identical bids on 82 different sizes of tires and tubes. This identical bidding was repeated in the next half year, but with substantially higher prices than for the preceding period. When bids were submitted for the third half-year period the Procurement Division of the Treasury Department, upon the advice of the Attorney General, rejected the bids and invited new ones. The new bids were the same as those rejected. In the circumstances the Treasury Department negotiated a contract with another supplier for its full requirements.

In its next invitation to submit bids the Government required the bidders to warrant that the prices bid were not the result of an agreement among them. Lower bids followed. A comparison of these bids with the earlier bids showed that the United States had been injured to the extent of $351,158.21 during the 18-month period involved. A treble-damage action against the offending companies was instituted by the Government but was dismissed on the ground that the United States is not a person within the treble-damage provision of the statute.

The legislation recommended does not propose to authorize recovery by the Government of treble damages. The provision for the recovery of such damages by private litigants was enacted as an aid in the enforcement of the antitrust laws, constituting, as it does, a powerful additional deterrent to would-be violators. The Government, however, having primary responsibility for the enforcement of the antitrust laws, does not need a provision for the recovery of treble damages to stimulate its law-enforcement activities. Nevertheless, the taxpayers would seem to be entitled to recovery of actual losses sustained by the Government as the result of antitrust violations. Remaining provisions of the bill are technical amendments rendered necessary by the primary objective of the measure.

The Bureau of the Budget has advised that there is no objection to the submission of this recommendation.

Sincerely,

HERBERT BROWNELL, JR.,
Attorney General.

AMENDMENT OF CODE RELATING TO PENALTIES FOR THREATS AGAINST THE PRESIDENT-ELECT AND VICE PRESIDENT-ELECT

Mr. KILGORE. Mr. President, I introduce, for appropriate reference, a bill to amend title 18, United States Code, section 871, to provide penalties

for threats against the President-elect and the Vice President. I ask unanimous consent that a letter from the Acting Secretary of the Treasury recommending the proposed legislation be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 734) to amend title 18, United States Code, section 871, to provide penalties for threats against the President-elect and the Vice President, introduced by Mr. KILGORE, was received, read twice by its title and referred to the Committee on the Judiciary.

The letter presented by Mr. KILGORE is as follows:

TREASURY DEPARTMENT,
Washington, January 1955.

The PRESIDENT OF THE SENATE.

SIR: There is transmitted herewith a draft of a proposed bill "To amend title 18, United States Code, section 871, to provide penalties for threats against the President-elect and the Vice President".

Title 18, United States Code, section 871 makes it a Federal crime willfully and knowingly to make any threat to take the life of or to inflict bodily harm upon the President of the United States, whether such threat is deposited for conveyance in the mail, or is otherwise communicated. The proposed legislation would amend this statute to include, in addition to threats against the President, threats made against the President-elect and the Vice President of the United States.

The United States Secret Service, Treasury Department, is, by law, charged with the protection of the President-elect and Vice President, as well as the protection of the President and his family. It has been the experience of the Secret Service that the present law has been a great aid in the investigation of threats against the President, in that it permits prompt Federal action to be taken in the matter regardless of the manner in which the threats are communicated. Although it has been the past experience of the Secret Service that threats against Presidents-elect or Vice Presidents have been somewhat less numerous than those directed against our Presidents, there have been a sufficient number of cases involving threats against the President-elect and Vice President, investigation or prosecution of which have been hampered because of lack of an applicable Federal statute, to warrant the proposed amendment of title 18, United States Code, section 871. Accordingly, the Treasury Department recommends the enactment of the proposed legislation.

A comparative type showing changes which the proposed legislation would make in existing law is enclosed for convenient reference. The proposed legislation was submitted by the Department to the 83d Congress and introduced as S. 2602 and H. R. 5665. However, no further action was taken prior to adjournment.

It would be appreciated if you would lay the proposed bill before the Senate. A similar proposed bill has been transmitted to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this proposed legislation to the Congress.

Very truly yours,

H. CHAPMAN ROSE,
Acting Secretary of the Treasury.

EXTENSION OF AUTHORITY FOR CERTAIN LOANS UNDER TITLE III OF SERVICEMEN'S READJUSTMENT ACT OF 1944

Mr. JOHNSTON of South Carolina. Mr. President, I introduce, for appropriate reference, a bill to extend for an additional 5 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended. I ask unanimous consent that a brief statement, prepared by me, explaining why I think it necessary for Congress to act on this matter at this time be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection the statement will be printed in the RECORD.

The bill (S. 740) to extend for an additional 5 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended, introduced by Mr. JOHNSTON of South Carolina, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The statement presented by Mr. JOHNSTON of South Carolina is as follows:

STATEMENT BY SENATOR JOHNSTON OF SOUTH CAROLINA

While I am well aware of the fact that the provisions of existing law for GI loans and loans with which veterans may buy homes do not expire until July 15, 1957, and for the Korean veterans at a subsequent date, I am also mindful of the fact that many veterans who would like to have availed themselves of the beneficial provisions of these laws have not been able thus far to do so. A goodly number have been and many still are confined in our hospitals in process of becoming rehabilitated. Many have been completing and are still receiving their education. Some are compelled to study on a part time basis. There are others who for economic reasons are just now finding themselves in a position to assume the responsibility of purchasing a home or establishing himself in business. To be able to buy a bare home without being able to furnish it adequately is a problem faced by many of our veterans. To accommodate this practical situation is the primary purpose of the proposed legislation.

The separate dates provided for in the extension of the several acts have for their purpose uniformity of time limitations for the benefits, as originally provided. Many of the veterans of the Korean war are still in school and will not graduate until several years from now, hence the extension of time for them and for others situated in similar circumstances is necessary if we are to meet the practical problems involved. I am sure it is the will of Congress that these problems, varied and complex as they are, deserve and will receive our heartiest consideration. The overriding purposes of all our veterans legislation has been to meet, as time passes and these problems arise, an equitable solution of them. Many of the difficulties could not be anticipated with any degree of certainty when these beneficial laws were first enacted.

PROVISION FOR EXTENSION OF CERTAIN WAR RISK, MARINE AND LIABILITY INSURANCE

Mr. MAGNUSON. Mr. President, I introduce for appropriate reference a bill to extend the authority of the Secretary of Commerce to provide war risk and certain marine and liability insurance for the protection of passengers and crew and vessels and cargoes, when endangered by war conditions or threat of war.

The present law—Public Law 763, 81st Congress—expires on September 7, 1955. In view of the unsettled state of world conditions this legislation should be kept on the statute books so that if conditions require it, the Government will be prepared to issue war-risk insurance when commercial marine insurance companies cannot or will not do so.

I may say, Mr. President, that I was the chairman of the Interstate and Foreign Commerce Subcommittee which held hearings on the original bill during the 81st Congress. When I reported that legislation to the floor it contained no expiration date. However, the minority calendar committee objected to such permanent authorization, hence an amendment was added placing a limit of 5 years on the Secretary's authority.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 741) to amend title XII of the Merchant Marine Act, 1936, relating to war-risk insurance, in order to repeal the provision which would terminate authority to provide insurance under such title, introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

REGISTRATION OF CERTAIN PERSONS WHO HAVE RECEIVED INSTRUCTION OR ASSIGNMENT IN ESPIONAGE, COUNTERESPIONAGE OR SABOTAGE

Mr. WILEY. Mr. President, I introduce for appropriate reference, a bill to amend the Internal Security Act of 1950, relating to the registration of certain persons. I ask unanimous consent that a statement prepared by me on this subject, together with a letter from the Attorney General of the United States, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement and letter will be printed in the RECORD.

The bill (S. 750) to require the registration of certain persons who have knowledge of or have received instruction or assignment in the espionage, counterespionage, or sabotage service or tactics of a foreign government or foreign political party, and for other purposes, introduced by Mr. WILEY, was received, read twice by its title, and referred to the Committee on the Judiciary.

The statement presented by Mr. WILEY is as follows:

STATEMENT BY SENATOR WILEY

I am introducing today a bill recommended by the Department of Justice to repeal and revise certain sections of the Internal Security Act of 1950. These sections, although conceived with the best of intentions, are not, however, working out as originally planned.

The sections pertain to the registration of persons who have knowledge of or who have received instruction in espionage, counterespionage, or sabotage, service or tactics of a foreign government or a foreign political party.

The purpose of this new bill, like the purpose of the present sections in the Internal Security Act, is sound and fundamentally necessary.

The only question before us in the modus vivendi, how to attain a worthy purpose which by our experience is not being attained, imbedded under the present overall internal security statute and its foreign agent registration component.

I believe, and Attorney General Brownell and his associates believe, that we can achieve our goal by setting up a separate and distinct registration statute which will require registration of espionage-trained individuals, irrespective of any technical status or relationship as agent of a foreign principality.

I want to point out that on a great many previous occasions I have commented on the Senate floor regarding the danger of Communist espionage in our country.

In this air-atomic age, a single foreign intelligence agent—like a Richard Sorge, or a single treacherous American like the great numbers who were trained in espionage and related "skills" at the Lenin Institute and other Red schools of subversion—can do incalculable damage to our country.

THE SOVIET UNION—A SUPERSPY STATE

The Soviet Union is a breeding ground of spies. It is a superspy state. There, officials spy on one another, superiors on subordinates, subordinates on superiors, children on parents. It is only natural that this domestic spying spills over into preoccupation with engaging in foreign spying.

For that reason the Soviet Union has turned out wave after wave of crack spies, saboteurs, provocateurs from its training centers. It has graduated innumerable cadres skilled at everything from secret radio transmission—see my CONGRESSIONAL RECORD remarks of June 18, 1954—to assassination by poisoned bullets fired by an electrically operated gun resembling a cigarette case.

Soviet intelligence in particular has long been one of the master weapons in the international Soviet conspiracy.

Again and again, the West has learned to its sorrow that a Soviet spy network in the United States, or in Canada, or in Australia, or in Japan, or in West Germany, or in France, and elsewhere has penetrated what was mistakenly believed to be an impregnable fortress of security.

We must, therefore, take vigorous action against these skilled foreign professional spies who infest the West, just as we must take action against their dupes and accomplices of American nationality.

Fortunately, our ever-alert Federal Bureau of Investigation is on the job, but let us at least give it and the Department as a whole a more effective registration tool than we now have available. We cannot expect miracles under the pending proposal, but at least it will be infinitely superior in effectiveness to the present provisions and it will become another improved weapon in our defensive arsenal.

I append hereto the text of the Attorney General's letter of January 26.

I introduce the bill and present the letter particularly in my capacity as ranking Republican of the Senate Judiciary Committee as well as ranking Republican of the Senate Foreign Relations Committee.

The letter presented by Mr. WILEY is as follows:

JANUARY 26, 1955.

The VICE PRESIDENT,
United States Senate,
Washington, D. C.

DEAR MR. VICE PRESIDENT: The Foreign Agents Registration Act of 1938, as amended by section 20 (a) of the Internal Security Act of 1950, presently includes within the definition "agent of a foreign principal" persons who have knowledge of or who have received assignment in foreign espionage or sabotage systems. However, the remaining provisions of the act make it clear that the registration requirements are applicable only to those persons who are currently acting as agents. Hence, persons with past knowledge or training in the espionage, counterespionage, or sabotage service or tactics of a foreign government or political party are under no obligation to register if they are not acting as agents of foreign principals. The presence of this provision as an integral part of the Foreign Agents Registration Act, which imposes the necessity of establishing an agency relationship or status before registration can be required, seriously impedes achieving the purposes and objective sought in the enactment of this legislation.

Furthermore, in administering the Foreign Agents Registration Act, the Department of Justice has attempted to make it clear that registration under the act in no way places any limitations on the activities which may be engaged in by an agent of a foreign principal and that there is no stigma attached to registration. The tenor and import of the statute are altered, however, by including within the definition of "agent of a foreign principal" persons who have received training or assignment in foreign espionage or sabotage systems.

For these reasons, it is recommended that the Foreign Agents Registration Act be amended by deleting from it any reference to persons who have received training or assignment in foreign espionage or sabotage systems and to substitute therefor a separate and distinct registration statute which would require the registration of such persons irrespective of any technical agency status or relationship.

There is attached for your consideration a draft of a measure which would effectuate this recommendation. It will be observed that provision is made for the exemption of certain categories of persons from its registration requirements. These exemptions have been concurred in by the Departments of State and Defense.

The Bureau of the Budget has advised that there is no objection to the submission of this recommendation.

Sincerely,

HERBERT BROWNELL, Jr.,
Attorney General.

ADJUSTMENTS TO THE NATIONAL TRADE POLICY

Mr. HUMPHREY. Mr. President, on behalf of the junior Senator from Massachusetts [Mr. KENNEDY] and myself, I introduce for appropriate reference a bill to provide assistance to those individuals, companies, and communities suffering serious injury or threatened with serious injury due to increased imports resulting from the national trade policy. This bill is identical to one which the Senator from Massachusetts, who is absent from the Senate because of illness, introduced in the closing weeks of the 83d Congress—S. 3650. Representatives HARRISON WILLIAMS, of New Jersey, HAROLD DONOHUE, of Massachusetts, and others have introduced a similar bill in the House of Representatives in the 84th Congress.

Since the first introduction of this bill in June of last year, administration spokesmen have indicated agreement with the basic thesis of the junior Senator from Massachusetts that consideration must be given to the significant readjustment problems certain to follow from the adoption of any international trade policies which would result in a decrease in tariffs and a corresponding increase in imports directly competitive with the products of so many of our domestic industries.

This idea has recently been expressed publicly by Mr. Clarence B. Randall, the Chairman of the President's Commission on Foreign Economic Policy, and by Samuel W. Anderson, Assistant Secretary of Commerce for International Affairs, in a recent speech before the National Foreign Trade Convention. Mr. Anderson discussed the need for assisting segments of our economy weakened by tariff decisions taken by our Government in the national interest and stated:

In my judgment, this idea has had insufficient debate and analysis. I am unwilling to accept the hypothesis that a Federal Government would be incapable of administering such an assistance program exclusively on the grounds of helping those unable to help themselves to readjust their affairs because of tariff action in the national interest.

I ask unanimous consent that at this point in my remarks certain excerpts from the statement the junior Senator from Massachusetts [Mr. KENNEDY], made upon the introduction of this bill in the 83d Congress be inserted, along with a brief section-by-section analysis of the bill.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the excerpts and analysis will be printed in the RECORD.

The bill (S. 751) to provide assistance to communities, industries, business enterprises, and individuals to facilitate adjustments made necessary by the trade policy of the United States, introduced by Mr. HUMPHREY (for himself and Mr. KENNEDY), was received, read twice by its title, and referred to the Committee on Finance.

The excerpts and analysis presented by Mr. HUMPHREY are as follows:

STATEMENT BY SENATOR KENNEDY

The difficulties caused by increased competition from imported products which face many businessmen, workers, and communities in this country, including those in the State of Massachusetts, present an increasingly serious problem which must be met by the United States Government. Inasmuch as any tariff, existing or prospective, is a direct result of national policy promulgated by the executive branch under authority delegated by Congress, it is only fitting that those individuals, companies, and communities who suffer serious financial loss or other

injury as a result of that national policy be assisted by the Government in their own efforts to meet those problems.

The "escape clause" and "peril point" provisions in our tariff law, aimed at affording protection to domestic industries from foreign competition which is ruinous in nature, have serious shortcomings. Under an "escape clause" proceeding, even when an industry proves to the satisfaction of the Tariff Commission that imports have caused or threatened to cause serious injury, and the Commission has recommended to the President that the tariff be increased to prevent serious injury, the President is free to reject the Tariff Commission's recommendation (although he must provide Congress with an explanation of his action).

Under the "peril point" provision, the Commission, upon receipt from the President of a list of all products imported into the United States which are being considered for possible tariff modifications, specifies for such products the tariff level below which, in the Commission's opinion, excessive imports would cause or threaten to cause serious injury to the domestic industry producing like or competitively similar articles. But this again is merely a recommendation to the President, who is at liberty to reject the recommendation (again with an explanation of his reasons for doing so), and to negotiate a tariff lower than the "peril point" specified by the Commission. Thus in both instances a finding of serious economic injury can be ignored.

Since the "escape clause" principle was first promulgated by Executive order in 1947, it has become painfully clear that the proof of injury or threat of injury does not insure that relief will be forthcoming. Of 43 applications for relief under the escape clause provision upon which action has been completed to date, only 3 have been successful in traveling the tortuous route to relief: the fur-felt hat industry, the hatters fur industry, and the dried-fig industry. In the other 40 applications, 33 were rejected by the Tariff Commission, 5 were rejected by the President and 2 have been postponed by the President pending further study. Thus, although the congressional intent that domestic industries are to be protected against ruinous competition from imports is written in crystal-clear language, no real relief has been forthcoming. Moreover, these discouraging results have had such a dampening effect on industries which are legitimately in need of relief from imports, that those companies are reluctant to go through the time-consuming, expensive procedures of the Tariff Commission to have their cases fairly adjudicated only to learn that—although they are entitled to relief under the criteria established by law—in the final instance such relief must be denied.

I am not suggesting that the President is guided by improper motives in rejecting the recommendations of the Tariff Commission that relief be granted to suffering industries in the form of tariff adjustments. Nor do I suggest that the decision is an easy one for the President. Concededly, it is extremely difficult to reconcile the conflicting national interest, which the President rightfully believes demands a high degree of international trade, with the legitimate needs of the domestic industries to be protected from imports which can be manufactured in foreign countries—with their lower living standards and labor costs—at substantially lower prices than in this country.

But it is our hope in presenting this bill to provide the President with a workable alternative to callous disregard of economic hardship, an alternative whereby the President would call into operation the facilities, programs, and resources of the Federal Government to provide special assistance to local industries, employees, and communities in making those economic readjustments made necessary by the President's decision. Where now the President can either accept or reject the recommendations of the Tariff Commission, this bill would authorize the President to invoke the provisions of the bill in the event he decides to (a) establish tariffs below the peril point or (b) refuse tariff modifications recommended as a result of an escape-clause proceeding. Let me make it perfectly clear that it is not our intention that this bill is to be a substitute for the present escape-clause or peril-point provisions. The President will continue to use his authority under the escape clause, as the national interest permits, to make "such adjustments in the rates of duty, impose such quotas, or make such other modifications as are found and reported by the Commission to be necessary to prevent or remedy serious injury to the respective domestic industry." The President could not use this as a substitute for following the peril-point recommendations of the Commission, in those cases where he would normally decide to follow them. The Trade Adjustment Act recommended by this bill would merely provide the President with an alternative in the event he determines, for reasons of overriding national interest, not to follow the recommendations of the Tariff Commission.

Upon the President's invocation of the provisions of the act those individuals, companies, or communities who regard themselves to be eligible for benefits under the act could apply to a new Trade Adjustment Board, which Board would determine the eligibility of applicants for relief under the act. The Board would issue certificates of eligibility entitling the holders to the assistance measures outlined in the act.

Very generally speaking, the following provisions of assistance are contained in the bill. For an individual who is unemployed as a result of the failure of the President to adhere to the recommendations of the Tariff Commission, the following forms of assistance would be available: (1) Supplemental unemployment compensation benefits in addition to those already available under existing unemployment compensation laws; (2) a lower social-security retirement age, if he is of advanced age and unable to find further employment; (3) vocational reeducation and training programs; and, (4) in certain cases, financial assistance in his efforts to relocate to a different place in the United States, where appropriate employment is available.

For a company adversely affected, (1) technical information, advice, and consultation would be made available through established governmental agencies; (2) rapid amortization benefits would be made available to encourage modernization and diversification; (3) loans otherwise not commercially available would be made by the Small Business Administration to further aid modernization and diversification.

For communities found to be adversely affected as a result of the national trade policy, there would be available (1) the advice, technical information, and consultation necessary to establish a workable plan for adjusting to the situation created by the tariff action; (2) loans to such communities or industrial development corporations or similar agencies, for the purpose of implementing those adjustment proposals.

This bill is the result of several executive, congressional, and private studies during several years. The first recommendation of the Bell report on a trade and tariff policy in the national interest—signed by the representatives of major business, labor, and farm interests serving on the Mutual Security Public Advisory Board—states that where a decision in the national interest results in hardship to domestic industry, "the industry [must] be helped to make adjustments * * * extension of unemployment insurance, assistance in retraining workers, diversification of production, and conversion to other lines." Attention was given the basic ideas involved here by the Commission on Foreign Economic Policy appointed by the President to inquire into the problems of international trade policy (the Randall Commission). The Commission's study in this field is summarized in chapter 7 of the staff papers of the Commission. In addition, Mr. David J. McDonald, a member of the Randall Commission, formally submitted to the Commission a proposal, similar in many respects to that contained in the bill which we have introduced today.

It is true that most of the assistance measures contained in the bill are found elsewhere in Federal activities; but the bill consolidates in one act all such assistance measures, states clearly the national policy to aid in these hardship cases, and, most important, provides an administrative procedure which will facilitate the securing of adjustment assistance, and contains special provisions or extensions of existing programs not now available to those who are to be assisted by these measures. No superbureaucracy is created. The Board created by this bill would perform carefully limited functions, and existing governmental facilities and activities would be utilized to the extent possible.

Let me also stress that this bill would not subsidize American industries merely to keep them in production; but would aid industries in their own efforts to adjust to changed conditions by modernization of plant and techniques and by diversification of products.

Although American industry has frequently been compelled to readjust to changed conditions resulting from industrial development, shifting customs and tastes, and general economic conditions, any adjustment made necessary by the tariff structure is unquestionably the direct result of national policy. Just as the Government felt compelled to assist the railroads at a time when national policy called for the development of a continental transportation system, just as the Government has felt compelled to assist in personal readjustments made necessary by the participation of our youth in military service, just as the Government met its obligation to assist industry in adjusting to war production and again to return to civilian peacetime production, so there is an obligation on the part of the National Government to render assistance to those who are suffering as a result of the national trade policy, existing or prospective.

We must be realistic. Regardless of personal or sectional attitudes, it is clear that the trend is in the direction of lower tariff barriers and increased international trade. I might add that, even if there were no such trend and we were assured that the current tariff status would remain constant, there is great need for assistance to those who are injured by the existing tariff structure. Instead of merely talking about the need for American industries to adjust to imports, it is time we took some positive steps to assist them in their difficult transition.

In order that the Members of the Congress might better understand the purposes and provisions of this bill, I ask unanimous consent to have inserted into the RECORD at this point in my remarks a brief section-by-section analysis which I have prepared.

SUMMARY OF TRADE ADJUSTMENT ACT OF 1955

Section 1 authorizes the act to be cited as "The Trade Adjustment Act of 1955."

Section 2 recognizes the necessity for an international trade program, indicates the practical shortcomings of the existing escape clause and peril point provisions, and recognizes the national obligation to render assistance to those industries, enterprises, communities, and individuals suffering as a result of increased imports encouraged by the international trade policy.

Section 3 authorizes the appointment of a special board made up of five officers and